UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NATIONAL BUSINESS CENTER
DENVER FEDERAL CENTER, BUILDING 50
P.O. BOX 25047
DENVER, COLORADO 80225-0047

In Reply Refer To:
1520 (BC-680A) **P**

January 26, 2001

EMS TRANSMISSION
Instruction Memorandum No. BC-2001-020
Expires: 9/30/02

To: All Washington Office and Field Officials
           Attn: Administrative Officers and Property Managers

From: Director, National Business Center

Subject: Fiscal Year (FY) 2001 Personal Property Inventories

DD: 03/01/01; 05/01/01

Program Area: Personal Property Management

Purpose: The purpose of this Instruction Memorandum (IM) is to:

-   Inform State/Field Offices of the annual requirement
    for conducting Personal Property inventories
-   Provide instructions on how the inventory should be
    accomplished
-   Provide a contact point and a completion date for
    these activities

Policy/Action: This IM transmits the updated policies and
procedures for annual Personal Property inventories for the Bureau
of Land Management.

As you know, the Chief Financial Officers (CFO) Act, requires each
BLM office to complete a physical personal property inventory for
all items in the Fixed Assets (FA)Personal Property system. Each
Custodial Property Officer (CPO) must complete a thorough and
accurate inventory and submit it to the local property staff by
March 1, 2001.

To assist you in conducting the inventory, detailed procedures have been provided in several attachments:

1. Attachment 1 lists the procedures to follow to conduct a personal property inventory.
2. Attachment 2 contains the instructions for processing these required items in the FA system.
3. Attachment 3 contains the inventory procedures for the Working Capital Fund (WCF) Stores Account Inventory. This attachment is only for the office listed on the attachment to conduct their inventory.
4. Attachment 4 (FA006 Report by CPO) is a list of property items sorted by CPO/FA Number for your accountable office.

It is very important that procedures for Attachment 1 be strictly followed. Please review all of these attachments for applicability to your office.

All FA system inputs must be completed by May 1, 2001, including initiation of any Reports of Survey and Certificates of Unserviceable Property.

Upon completion of these inventories, a memorandum signed by the Accountable Officer must also be sent to BC-680A, along with supporting documentation by May 1, 2001.

BC-680A will issue an inventory status report to all State Office managers showing each office's compliance/status relative to the requirements.

Due to the CFO Act requirements (Inspector General's Audit) for the Bureau's financial statements, no extension of inventory due dates beyond May 1, 2001 can be granted.

Timeframe: Due Date – May 1, 2001

Background: An annual requirement supporting the Fixed Asset (FA) Personal Property system implementation of 1996 requires involvement of custodial officers property managers/technicians.

Budget Impact: N/A

Manual/Handbook Sections Affected: Bureau of Land Management Manual Section 1520.

Coordination: Washington Office Property, Acquisition and Headquarters Services and the Property Operations/Systems team.

Contact: Kathy Montgomery, Supply Specialist (BC680A), at (303) 236-9460, or Lois Perrin, Supply Technician (BC680A), at (303) 236-9461.

Signed by: Authenticated by:
Dennis Sykes   Lynne J. Lotvedt
Director, National Business Center   Staff Assistant

4 Attachments
    1 - Procedures to Conduct Inventory (3 pp)
    2 - FA Inventory Process (3 pp)
    3 - Inventory Procedures for WCF Stores Inventory (1 p)
    4 - FA006 Report by Custodial Officer (varies pp)

Distribution:
WO-850, LS, 1075
ST-150, BLM Library
BC-680, Reading File
NI-100, Reading File

PROCEDURES TO CONDUCT INVENTORY

1 - <u>Custodial Property Officers' (CPO) Function During Inventory Process</u>:

The CPO will have an important part in processing a complete and accurate inventory. Upon receipt of the Instruction Memorandum regarding the FY 2001 inventory, the property manager will distribute the report by CPO (FA006) to the pertinent CPO. It will be the responsibility of the CPO to insure that the property items listed on this report are in the possession of the cognizant employee under his or her authority. If not, the CPO should annotate who has that item or if the item has been transferred or disposed. At this time, it would also be beneficial to check for any information on this report that is incorrect (i.e. cost, classification, serial number, mfg, etc.). See the property manager on items found and are not on your CPO report.

Upon completion of this review, sign and return the report to your property manager. The property manager will update any items that are annotated for addition/change in the FA system. After all updates have been made, the property manager will run a new FA006 report for the CPO. The CPO is required to e-mail the property manager that the new FA006 report is correct. It is very important that the property manager has your full cooperation. If an audit is taken in your office, you would want to be able to account for all items under your custodianship.

2 - <u>Local Reconciliation</u>. The Accountable Officer is responsible for reconciling FA with the actual items physically inventoried. Upon completion of the CPO's responsibilities, and the following processes are complete, the property manager will be confident in having your accountable officer sign a letter, stating that all personal property in FA has been accounted for. The reconciliation should include the following steps:

    a. <u>Overage with Property Number</u>. When an item is found with a property number that is not on the FA listing, query the FANI Table in FA to determine if it is on another office's inventory. (When querying this table, be sure you blank out the FA type).

        1) If the item is on another office's records and the item will remain in your office, call that office and ask that they initiate a transfer of property (a T1 Document) on that item.

        2) If the query indicates that FA has no record of the item:

            a) Check the Control Register and:

                1) if a receiving report is posted, and the item was purchased in FY 2000/2001, enter the item into FA as a new acquisition.

2) if a receiving report is **not** posted to the Control Register, enter into FA using a Found on Inventory code (Acquisition Method C).

3) if a record is found on the disposal side of the register, research the disposal document to determine what action should have been taken, then follow through with the action.

b. <u>Overage Without Property Number</u>. If an item without a property number is found, check the FASI Table in FA, to query by serial number. If the item is identified in FA, attach the correct property number to the item. Request property tag be printed by BC680A if need a reprint of this specific property tag. If the item cannot be matched, assign a new property number. Enter into FA as a Found on Inventory code (Acquisition Method C).

c. <u>Shortage</u>. If an item is on the inventory listing but cannot be found, check if the item was previously subject to disposal action. If so, enter a FD transaction for that item to FA. If not, initiate a Report of Survey, Form DI-103. Process a Disposal Document (FD) to FA.

d. <u>Corrections</u>. Corrections affecting data within an Accountable Officer's area of responsibility can be made by that office. A phone call or coordination with BC-680A may be helpful.

e. <u>Damaged Property Numbers</u>. Replacements for illegible, marred, or damaged property number tags may be requested through BC-680A.

f. <u>Leased Property</u>. All leased property must be controlled and inventoried if leased for 60 days or more. Please call BC-680A if you need assistance.

g. <u>BLM Property Held by Contractors, Grantees, and Federal Cooperators</u>. BLM property held by contractors is identified in FA in the FLOC AND CORG table by the location of the item. It is the responsibility of the CPO to provide the Contractor, Grantee, or Cooperator with a printout of all property items requiring inventory. The contractor, grantee, or cooperator must conduct a physical inventory and respond with a letter or other such certification providing the results of the inventory to the CPO. This certification must include an affirmation that a physical inventory was taken; a listing by property number of the items found and in good condition; and an explanation of any losses or shortages. Send these differences to the Property Manager for updating to FA.

3 - <u>National Business Center</u>. The National Business Center is responsible for monitoring the status of all field office property management inventories for the WO, and for ensuring that property management inventories submitted by Field Offices reconcile with the Bureau General Ledger Control Accounts.

    a) <u>Field Office Inventory Completion Memoranda</u>. The NBC review process is initiated upon receipt of a signed and dated memorandum from a field office Accountable Officer stating that the FY 2001 field office inventory is completed. Appropriate supporting documents must also be included with the memorandum.

    b) <u>All Personal Property Items in the FA System</u>. BC-680A will run and review FA Reports No. FA012 and RFA24. If review of these reports indicates that all transactions are complete, BC-680A will send a memorandum to the appropriate field office stating that the FY 2001 inventory has been completed. If any FA transactions have not been completed, an e-mail will be sent to the appropriate accountable office property manager and their state office property manager.

    c) <u>Pending Transfer and/or Disposal Documents</u>. Field office transfers (T1 documents)and disposals(FD documents) in reject/pend1 status need to be resolved during the current fiscal year.

    d) <u>Inventory Completion Certification</u>. BC-680A will certify in writing to WO-850 by the end of October 2001, the status of all FY 2001 inventories.

4 - <u>Accountability Certificate - Form 1520-9</u>: This form is needed upon the arrival of a new accountable officer. The outgoing accountable officer will sign/date the top portion of the form, and the incoming will sign/date the bottom portion. The new accountable officer will be required to formally accept full accountability and responsibility for all controlled property in the Fixed Asset (FA) system. The incoming accountable officer may request a physical inventory before signing the accountability certificate. If a current form 1520-9 is not on file at BC-680A bearing the present accountable officers' signature, you will need to submit this form with your inventory.

FA INVENTORY PROCESS

The Fixed Asset Physical Inventory Table (FAPI) is populated with all items that need to be inventoried by your office for FY 2001.

PROCEDURE A: If a CPO returns the FA006 report with no changes to the CPOs' inventory and all items have been accounted for, the following should be done:

    1. On the Fixed Asset Physical Inventory by CPO Table (FAPO) enter:

        a. Action = **A**

        b. The **code** of the CPO for which the inventory was performed.

        c. The **fiscal year (yyyy)** that the inventory was issued.

        d. The **date (mmddyyyy)** on which the inventory was completed.

        e. **PRESS ENTER**

        f. The number of FA items will be indicated in the field "NUMBER OF ASSETS MARKED AS INVENTORIED"

---------------------------- **IF** ---------------------------

    2. If some of the items on the CPO's record have changes, follow Procedure B. Upon completion of updating those particular items, you may then process Procedure A to update the inventory date for the remaining inventory items.

---------------------------- **OR** ---------------------------

To update the items in FAPI, you need to query the item by FA type and FA number. (If the item does not come up with the FA type you used, key in one of the others). If the item still does not come up when the FA type is changed, check the FANI table to verify that the item is under the correct CPO and Cognizant Employee (CE). If the item is not under the correct CPO or CE, you need to do a T1 document. The FA types are: EC; ES and SC.

PROCEDURE B: If there are changes in the CE, transfers, disposals, or items that are missing the following should be done:

     1.   To bring up the specific property number on the FAPI table:

          Action = **S**

          FA Type = **ES, EC OR SC**

          FA Number = **7 digit property number - ENTER**

     2.   Action = **C**

          In the **INV PERFORMED** field, enter one of the following codes:

               Y = Physical Inventory Performed
               T = The item needs to be transferred.
                 (a T1 document must be done)
               D = If item is in disposal process.
                 (a FD document must be done)
               M = If item was cannot located.*****

       * For all assets that cannot be located during the FY2001 inventory period, <u>these assets must remain in the inventory status code of an "M"</u> identifying that they cannot be physically located. BC-680A will provide a listing of these final assets at the Bureau inventory completion period and assist State/Field Offices in processing DI-103, Report of Survey, to complete their final inventory and reconciliation process.

     3. In the **INV COMP DATE** enter the date **(mmddyyyy)** on which the physical inventory was completed.

     4. The CE can be changed if the CPO remains the same.

     5. The building field should be used for report number.

     6. All other field values are defaulted.

------------------------------- AND -------------------------------
PROCEDURE C: If necessary, a FA Report, FA012, can be requested if your office needs to see what is still on the FAPI table waiting to be inventoried. Field Offices can now pull this report directly from the BLM Management Information System (MIS) at Netsite http://mis.blm.gov/. The MIS can be reached through the NBC homepage on the intranet.

Your inventory will not be completed until action has been completed on the items with PERFORMED INV CODES; T, M and D .

PROCEDURE D: ITEMS PUT ON AVAILABLE/EXCESS:

Items that should be put on an available/excess report should be transferred from the present CPO's inventory to the **highest level** CPO code for excess available. The building data field should be used for the available or transfer document number of the document being processed to accomplish this action. This will assist the property manager to track items that have been excessed. The following steps need to be followed to accomplish this action:

　　1.　**BC680A created, for consistency, on the CUST table the following CPO for your use to process the above type of transaction:**

　　　　2.　(e.g. AZ910X01) on the CUST TABLE.　**(Example)**
　　　　　　a.　Last Name = Excess
　　　　　　b.　First Name = Available

The purpose for creating this code is so that the items that are put on an available report of BLM will be removed from the CPO's inventory pending disposition of the items.

PROCEDURE E: ITEMS PUT ON A REPORT OF SURVEY/UNSERVICEABLE CERTIFICATE or TRANSFER OUT OF BLM:

Items that are put on a report of survey/unserviceable certificate or transferred out of BLM should be transferred to the highest level CPO for Disposal Pending. The building data field should be used for the Report of Survey/Unserviceable Property Certificate Document or transfer document number. The following steps need to be followed to accomplish this action:

　　1.　**BC680A created, for consistency, on the CUST table the following CPO for your use to process the above type of transaction:**

　　　　2.　(e.g. AZ910Y01) on the CUST TABLE.　**(Example)**

　　　　　　a.　Last Name = Disposal
　　　　　　b.　First Name =Pending

　　　　3.　CE Code = Last cognizant employee user.

PROCEDURE F: WCF VEHICLES PUT ON DISPOSAL TYPE DOCUMENTS:

WCF Vehicles put on disposal type documents should be transferred to the highest level CPO. The building data field should be used for the Available Property Report, Report of Survey/Unserviceable Property Certificate Document or transfer document number. The following steps need to be followed to accomplish this action:

    1. **BC680A created, for consistency, on the CUST table the following CPO for your use to process the above type of transaction:**

    2. (e.g. AZ910Z01) on the CUST TABLE. **(Example)**

        a. Last Name = WCF
        b. First Name = Vehicles

    3. CE Code = Last cognizant employee user.

PROCEDURE G: Followup to the property items in the X, Y, or Z CPO codes:

    Any property items, including WCF vehicles, that remain in CPO x, y, or z codes longer than 30 days should be followed up on and questioned as to why this action was not completed.

INVENTORY PROCEDURES FOR WCF STORES INVENTORY

WCF STORES INVENTORY: Field offices have until May 1, 2001 to submit inventory completion memos to BC-680A. Field offices which still have a WCF Stores Account have the same period of time to conduct the annual WCF Stores Inventory.

   o Decide which month the annual WCF Stores Inventory will be conducted, and complete the inventory to coincide with the established cutoff date for that monthly Stores Control Register, BLM Form 1520-6. Enter the WCF Stores Inventory on Forms DI-106 and DI-106a or an equivalent format. The inventory must be extended and show unit price and total dollar value for each line item.

   o A Report of Survey, Form DI-103, or a Certificate of Unserviceable Property, Form DI-103A, must be prepared to document any shortages or damaged stores items not suitable for issue.

   o A Receiving Report, Form DI-102, must be prepared with the notation "found on inventory" to document any inventory overages.

   o The annual WCF Stores Inventory dollar balances must reconcile with the balance on the Stores Control Register as of the inventory date.

   o Copies of the completed WCF Stores Inventory and Stores Control Register should be forwarded to both BC-610 and BC-680A. Field Offices should furnish a copy to their State Office.

The following office which still has a WCF Stores Account as of October 1,2000, must send a WCF Stores Inventory to the National Business Center during FY 2001:

Idaho

ID 090